

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MASSACHUSETTS  
WESTERN DIVISION**

In re:

GRETAG IMAGING, INC.

Debtor

Chapter 7

Case No. 03-40225-HJB

**TRUSTEE'S MOTION FOR ORDER AUTHORIZING AND APPROVING PRIVATE SALE OF  
PROPERTY OF THE ESTATE FREE AND CLEAR OF LIENS AND ENCUMBRANCES**

To the HONORABLE HENRY J. BOROFF, U.S. Bankruptcy Judge:

Now comes David W. Ostrander, Chapter 7 Trustee in the above captioned case ("Trustee"), by his counsel, and requests that the Court authorize him to sell the following assets of the Debtor to Aver Software Technologies Limited ("Aver") of Mumbai, India, for the purchase price of one hundred fifty thousand dollars (\$150,000.00), free and clear of liens and encumbrances:

- Tangible and intangible assets of the former "Sienna Imaging" business, previously operated by the Debtor at a facility located in Englewood, Colorado, USA (hereafter the "Sienna Assets").

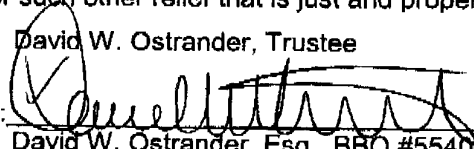
In support of this motion, the Trustee respectfully represents as follows:

1. The Debtor filed a Chapter 7 Voluntary Petition on January 13, 2003 (the "Petition Date").
2. David W. Ostrander, Esq. was appointed Chapter 7 Trustee and continues in that capacity.
3. The Meeting Of Creditors took place on February 20, 2003.
4. On January 22, 2003, the Trustee a Motion For Authority To Operate Business for the purpose of conducting an orderly liquidation of the Debtor's assets in order to maximize the return for creditors.
5. On February 12, 2003, the Court entered an "Agreed Order" on the Trustee's Motion For Authority To Operate Business which had been negotiated between the Trustee and Eastman Kodak Company ("Kodak") which claims to hold a perfected security interest in the Debtor's assets to secure an obligation owed in the amount of approximately \$19 million dollars. Since that date, the Trustee, primarily with the assistance of the former president and chief financial officer of the Debtor, has taken steps to secure and sell assets of the Debtor, among other tasks.

6. Almost immediately after the Petition Date, the Trustee became extensively involved in this case, including the task of vacating the business premises of the Debtor's "Sienna" facility in Englewood, Colorado, a suburb of Denver. In early March, 2003, the Sienna Assets were professionally moved to a storage facility in the Denver area where they currently remain.
7. The Sienna facility's primary function was the research and development, manufacturing, and repair of print engines for photo processing units manufactured by the Debtor and other companies. The Sienna Assets consist primarily of equipment used in the manufacture and repair of the print engines, miscellaneous office furniture, and certain patents for software used in for print engine manufacturing and repair.
8. In early March, 2003, the Bankruptcy Estate solicited bids for the Sienna Assets by distributing a "Request For Bids", a copy of which is attached hereto as **Exhibit A**, to various prospective purchasers. The Request For Bids set a deadline of March 21, 2003, to submit a bid, however, the Trustee extended the deadline to March 28, 2003, for one prospective purchaser, Agfa Corporation ("Agfa"). Agfa, through its counsel, had requested the one week extension to review the Bid Package which was supplied to a prospective purchaser upon the payment of a \$1,000 non refundable payment to the Estate. Agfa has not make a bid for the Sienna Assets.
9. As of the present date, the only bid received by the Bankruptcy Estate for the Sienna Assets is from Aver. A copy of its bid is attached hereto as **Exhibit B**.
10. The proposed sale is to be made free and clear of liens and encumbrances. Kodak claims to hold a perfected security interest in the Sienna Assets. Upon information and belief, no other creditor claims to hold a security interest in the Sienna Assets. To the extent such validly perfected lien exists, it will attach to the proceeds of the sale.

**WHEREFORE**, the Trustee requests that the Court enter an Order authorizing him to sell the Sienna Assets, as set forth herein, and for such other relief that is just and proper.

Dated: April 2, 2003

David W. Ostrander, Trustee  
By:   
David W. Ostrander, Esq., BBO #554004  
Ostrander Law Office  
36 Service Center Road  
P.O. Box 1237  
Northampton, MA 01061-1237  
T: (413) 585-9300 F: (413) 585-9490

## **Request for Bids**

### **Gretag Imaging Inc., Denver Colorado Operations (Former Sienna Imaging Inc.)**

On January 13, 2003, Gretag Imaging, Inc. filed a Chapter 7 bankruptcy case with the District Of Massachusetts, Western Division. The case number is 03-40225-HJB. David W. Ostrander is the Chapter 7 Bankruptcy Trustee. The Bankruptcy Estate is offering the former Denver operations for sale as a "package" with the expectation that the successful purchaser will "restart" the business.

#### **Description of Operations**

Gretag Denver was formerly Sienna Imaging Inc. and was purchased by Gretag in 1999. The operations prior to closure focused mainly on CRT print engine manufacturing, with the major customer being Gretag San Marco based in Pordenone Italy. Other customers include Noritsu, Agfa, and Konica primarily for repair, and upgrade of print engines.

#### **Form of Sale**

This will be an asset sale. Bids will be accepted for the assets listed below. Bids must be in written form and presented no later than **March 21, 2003**. Bids will be presented to the bankruptcy trustee for review. The Trustee will evaluate and present the most comprehensive and valued bid(s), to the bankruptcy court for final approval. Subsequent to bid approval a mutually agreeable purchase and sale agreement will be negotiated between the Trustee and the successful bidder.

#### **Assets Included**

	<b><u>Book Value</u></b>
Production Inventory	\$1,700,000
Other inventory (MRB, Service, Used, Repair, Rework)	\$1,900,000
Furniture and Fixtures (Estimated Value)	\$200,000
Mileca Production Inventory (At Holyoke)	\$500,000
CRT Print Engine Intellectual Property	
Mileca High Speed Printer Intellectual Property	
Crew Software Intellectual Property	
Legacy Customer Information	

#### **Potential Revenue Sources**

	<b><u>Range Per Annum</u></b>
Sale of print engines to San Marco Imaging *	\$3,000,000 - \$5,000,000
Sale of Mileca high speed printers **	\$1,000,000 - \$2,000,000
Repair of Print Engines	\$500,000 - \$1,000,000
Service of Legacy CRT based products	\$500,000 - \$1,000,000

\* Need to negotiate a supply agreement with San Marco. Estimate 250 - 400 engines per year.

\*\* Estimate sales of 15 - 25 units in first year

#### **Current Status**

The operations were closed Jan. 10, 2003 and all employees terminated. The assets have been professionally packed and moved to a storage facility under the direction of those knowledgeable in the technology to assure an efficient start up is possible

#### **Disclaimer**

All information is estimated, and buyer must perform it's own due diligence. All assets will be purchased "as is" with no warranty or returns.

#### **Bid Package**

To obtain a package of detailed information please forward a **non-refundable check** in the amount of **\$1,000.00** payable to "David W. Ostrander, Trustee" and sent to Gretag Imaging, Inc., 361 Whitney Ave., Holyoke, MA. For further information please contact either Mark DeSimone at [mark@gretagparts.com](mailto:mark@gretagparts.com) or Colin Vigdal at [colin@gretagparts.com](mailto:colin@gretagparts.com).

**EXHIBIT A**

## AVER SOFTWARE TECHNOLOGIES LIMITED

Aver House, Plot No. B/26, New Link Road,  
Opp. Fame Adlabs, Andheri (W), Mumbai - 400 053, India.  
Tel.: +91-22-2673 2955/56 Fax: +91-22-2673 3116 E-Mail: aver@averphoto.com

March 21, 2003

To:  
The Trustee  
David W. Ostrander, Esq.  
Ostrander Law Office  
36 Service Center Road  
Northampton, MA 01061-1237

**Subject: Bld for Purchase of Former Sienna Imaging Assets  
(Gretag Imaging Inc., Chapter 7, Case no. 03-40225-HJB)**

Dear Sir,

We, **Aver Software Technologies Ltd., Mumbai, India**, hereby submit our bid for purchase of former Sienna Imaging assets.

- Our Cash Purchase Price Offer is **US\$ 150,000/2**  
(US Dollars One Hundred Fifty Thousand only.)
- Diligence Period required to evaluate the assets will be 2 weeks from the date of acceptance by the trustee of our bid.
- Outside Closing Date: We would like to have the deal closed by June 15, 2003.
- Contingencies: None
- Special Purchase Condition is that we assume that all the Assets and Intellectual Property Rights are as described in the bid package.

We request you to kindly keep us informed of the status of the bidding process and oblige.

Thanking you,

Yours faithfully  
For Aver Software Technologies Ltd.

  
Ramesh Patel  
Managing Director

Exhibit B



**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MASSACHUSETTS  
WESTERN DIVISION**

In re:

GRETAG IMAGING, INC.

Debtor

Chapter 7

Case No. 03-40225-HJB

**CERTIFICATE OF SERVICE**

I, David W. Ostrander, do hereby certify that I served a copy of the Trustee's Motion For Order Authorizing And Approving Private Sale Of Property Of The Estate Free And Clear Of Liens And Encumbrances on the following, as well as those parties listed on the attached Service List, by first class mail, postage prepaid, except as otherwise indicated, on April 2, 2003:

Office of the U.S. Trustee  
600 Main Street, Suite 200  
Worcester, MA 01608  
(via fax transmission only)

Philip J. Hendel, Esq.  
Counsel To Debtor  
Hendel & Collins, P.C.  
101 State Street  
Springfield, MA 01103  
(via fax transmission only)

Robert P. Cunningham, Esq.  
Robinson Donovan Madden & Barry, P.C.  
1500 Main Street, Suite 1600  
P.O. Box 15609  
Springfield, MA 01115-5609  
(via fax transmission only)


Daniel McGuire, Esq.  
Counsel to Eastman Kodak Co.  
Winston & Strawn  
35 West Wacker Drive, 42nd Floor  
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John J. Driscoll, Esq.  
Counsel To Banknorth  
Resnic Beauregard Waite & Driscoll  
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Arnold Greenhut, Esq.  
Counsel To Arrow Machine, LLC  
Rosen, Greenhut, Catuogno & Low  
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Mitchell Levine, Esq.  
Counsel To Citicorp Vendor Finance, Inc.  
Nair & Levin, P.C.  
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Bloomfield, CT 06002  
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**Mass. Dept. Of Revenue  
Bankruptcy Unit  
P. O. Box 9484  
Boston, MA 02205-9484**

**GRETAG IMAGING, INC. CHAPTER 7, CASE NO. 03-40225-HJB  
PROSPECTIVE PURCHASERS OF SIENNA ASSETS**

Mr. Anirudha Gupte  
General Manager  
Aver Software Technologies Ltd.  
Plot No. B-26  
New Link Road  
Mumbai 400 053, India  
(via email and fax only)

Dr. Amilcare Berti  
San Marco Imaging S.r.l.  
Via Pontebbana, 28  
I-33080 Fiume Veneto PN, Italy  
(via email only: [amilber@smfinance.it](mailto:amilber@smfinance.it))

Agfa Corporation  
C/O Joseph Sirbak, Esq.,  
Choate, Hall & Stewart  
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Boston, MA 02109-2804  
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Wayne, NJ 07470  
(via email only: [dougk@thomaselectronics.com](mailto:dougk@thomaselectronics.com) )

Mr. Yasunori Satake  
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